

Lenske, Lenske, Heller & Magasin

A Law Corporation

Woodland West Bldg., Suite #315
6400 Canoga Avenue
Woodland Hills, California 91367
(213) 716-1444

STEPHEN A. LENSKE
SHERMAN D. LENSKE
LAWRENCE E. HELLER
MICHAEL R. MAGASIN

Of Counsel
PAUL MAGASIN
ROBERT J. YOUNG

SHULA R. BARASH
DIANE C. WEIL

October 12, 1982

Julia Dragojevic, Esq.
Contos & Bunch
5855 Topanga Canyon Boulevard
Suite 400
Woodland Hills, California 91367

Re: Church of Scientology of California, Inc. vs. Gerald
Armstrong, et al.

Dear Ms. Dragojevic:

I am in receipt of your correspondence of October 6, 1982 which responded to my letter of October 4, 1982.

In view of the fact that you are the attorney of record for the defendant in the above-captioned action and therefore have complete knowledge of all of the contentions and assertions made in the papers filed in this action, I must assume that your out-of-context quotation of the Declaration of Andrew M. Lenarcic in your letter of October 6, 1982 constitutes no more than an intentional misrepresentation of the underlying basis of this litigation. Regardless, even those out-of-context quotations give you no right whatsoever to notice the deposition of Mr. L. Ron Hubbard pursuant to Code of Civil Procedure Section 2019(a)(4).

No question whatsoever exists that "... church membership has a profound spiritual interest in his [L. Ron Hubbard's] words, his reputation and his well being." This "spiritual interest" derives from the fact that "... Mr. Hubbard is the Founder of the religious philosophy and technology of

Julia Dragojevic, Esq.
Contos & Bunch
October 12, 1982
Page 2

Dianetics and Scientology . . ." (quotation from the Declaration of Andrew M. Lenarcic and as reiterated in page two of your correspondence).

When you are able to demonstrate to me authority for the proposition that a spiritual interest inures to the ". . . immediate benefit [for an individual] of an action or proceeding" (Code of Civil Procedure Section 2019(a)(4)), I will concede that your noticing of the deposition of L. Ron Hubbard is proper and legally enforceable. Otherwise, as I am sure you now see, such a position is no less than legally ludicrous.

I suggest you read Code of Civil Procedure Section 2019(a)(4) in its totality. That section specifically refers to officers, directors or managing agents of any party to litigation when negating the necessity for service of a subpoena in lieu of notice for appearance at a deposition. You are well aware of the fact that Mr. Hubbard resigned his directorship from the Church of Scientology of California in 1966 and has had no active management interest therein since that time.

As respects the misrepresentation contained in your correspondence as propagated through your quotation of paragraph 3 of Mr. Lenarcic's declaration, the plaintiff Church of Scientology has, as you are aware, maintained throughout the course of this litigation that there are a great many documents and materials in the Church of Scientology Archives. Some of these belonging to Mr. Hubbard were given to the Church of Scientology for safekeeping in view of the spiritual relationship that exists between the Church and its Founder as well as the historical significance of Mr. Hubbard's life as respects the formation and existence of the Church of Scientology. Your barefaced contention that because a certain percentage of the materials in the Church Archives belong to Mr. Hubbard he is somehow a party to this litigation is, to put it kindly, legally insufficient.

Julia Dragojevic, Esq.
Contos & Bunch
October 12, 1982
Page 3

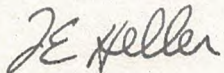
The Church of Scientology is no more than a bailee for materials belonging to Mr. Hubbard. On that basis the Church of Scientology considers itself to be liable to Mr. Hubbard for creating the circumstances which allowed your client to steal those documents.

The bottom line of your mail service of the notice of deposition is, as we both know, no more than a misuse of the court system to engage in the gamesmanship for which you and your law firm are fast becoming famous.

In the spirit of cooperation may I now implore you to kindly cancel the deposition of L. Ron Hubbard. Such cancellation will avoid the necessity of my appearance at that deposition thereby further avoiding the necessity of my client expending monies for that appearance which will, as I stated in my last correspondence, ultimately result in a motion by this law firm for sanctions and attorney fees for said appearance.

I might add as an aside, although not relevant to the subject matter of this correspondence, that when I stated in my prior correspondence that none of the attorneys of record for the plaintiff had any knowledge of the whereabouts of L. Ron Hubbard, I was also speaking on behalf of the collective knowledge of my client, the Church of Scientology.

Very truly yours,



Lawrence E. Heller
of Lenske, Lenske, Heller & Magasin
A Law Corporation

LEH/jb